



Energy Revolving Fund

Missouri Energy Center fact sheet

10/2005

The Energy Center, through the Energy Revolving Fund, provides low-interest loans to public schools, universities, colleges, cities, counties, public hospitals and water treatment plants to help reduce energy costs. This loan financing may be used for various energy-saving investments, including projects such as upgrading insulation, lighting systems, heating and cooling systems, windows and other items that affect your energy use.

Loan recipients will benefit from increased occupant comfort in their buildings and reduced energy costs. This loan financing also frees up tax dollars that school districts, higher education facilities and local governments can use for essential services or other capital improvements. Loan recipients repay the loan with money saved on energy costs as a result of implementing the energy-efficiency projects. These loans are not defined as debt. Thus, this loan financing does not count against debt limits or require a public vote or bond issuance.

Application Procedures

To apply for a loan, eligible entities must submit a completed application form to the department during an open application cycle. Applications for the current cycle will be accepted from October 3, 2005, through January 18, 2006.

For the current cycle, the department will have up to \$15 million available for energy-efficiency projects, with each applicant being limited to no more than \$3 million in approved loans. Loan funds will be allocated to eligible sectors as follows:

Public Schools (K-12)	50 percent of available funds;
Local Governments	25 percent of available funds; and
Public Higher Education Institutions	25 percent of available funds.

If excess funds remain in any sector, the Energy Center may allocate them to other sectors. The interest rates for these loans will range from 3 percent for a six-year loan to 4 percent for a 16-year loan.

The loan recipients will be determined on a competitive basis. To determine which applicants will receive funding, applications will be ranked based on project payback, which will be determined by dividing the cost to implement a project by the estimated yearly energy cost savings. Projects with the lowest payback score in each sector allocation will be funded until all available funds are allocated. In case of identical payback scores, the eligible applicant with the highest percentage total of BTU savings will receive funding. Any applicant with ongoing enforcement issues with the Department of Natural Resources will be disqualified. Approved applications will be awarded loan funds no later than March 31, 2006.

Examples of Past Projects Funded Through the Energy Revolving Fund

Since the Energy Revolving Fund was initiated in 1989, the Energy Center has made more than 400 loans to finance more than \$65 million in energy-efficiency projects being completed and more than \$72 million in cumulative energy savings to date. Examples of recently completed projects are:

<u>Location</u>	<u>Project</u>	<u>Construction</u>
		<u>Amount</u>
Halfway R-III School District	Installed new ballfield lights	\$13,724
Eminence R-I School District	Upgraded heating plant, installed insulation and programmable thermostats	\$28,117
Carroll County Courthouse	Installed new windows	\$32,020
La Plata R-II School District	Upgraded lighting, installed windows and insulation	\$93,123
Forsyth R-III School District	Upgraded lighting	\$164,947
Lebanon R-III School District	Installed ground-source heat pump	\$230,504
Jefferson City School District	Upgraded lighting and heating plant	\$618,953
Mineral Area College	Upgraded lighting and HVAC system	\$1,132,216
Nevada Regional Medical Center	Upgraded HVAC system and installed windows	\$1,317,683

For More Information Contact:

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